



BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

MIKE GLEASON, Chairman
WILLIAM A. MUNDELL
JEFF HATCH-MILLER
KRISTIN K. MAYES
GARY PIERCE

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IN THE MATTER OF THE APPLICATION OF
SEMPRA ENERGY SOLUTIONS FOR
APPROVAL OF A CERTIFICATE OF
CONVENIENCE AND NECESSITY FOR
COMPETITIVE RETAIL ELECTRIC SERVICES.

DOCKET NO. E-03964A-06-0168

RESPONSE TO MOTION TO STRIKE

Arizona Corporation Commission Staff ("Staff") hereby responds to the Motion to Strike filed by Sempra Energy Solutions, Inc. ("Sempra") on November 30, 2007. Staff opposes Sempra's motion.

Sempra argues that the testimonies filed by New West Energy Corporation ("NWE") and the Residential Utility Consumer Office ("RUCO") do not address the core issues presented by this proceeding and instead expand the issues raised herein. Staff respectfully disagrees. Although NWE's and RUCO's testimonies are somewhat more generic in nature than Staff's testimony, the NWE and RUCO testimonies, on balance, provide information that may be helpful to the Commission; for this reason, Staff opposes Sempra's motion.

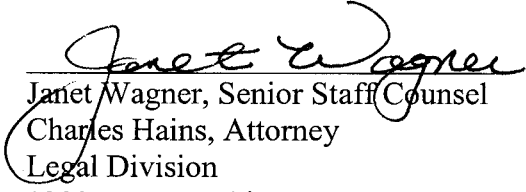
Sempra's arguments regarding the NWE and RUCO testimony go more to the weight to be given to this evidence than to its admissibility. In this case, Staff has acknowledged that certain generic proceedings may be appropriate.¹ Further, Staff's testimony also recognizes that issues regarding retail electric competition continue to persist.² In addition, Sempra's motion appears to overlook the fact that the Court of Appeals' decision in *Phelps Dodge* set aside some of the Commission's electric competition rules. In these circumstances, it is difficult to conclude that the NWE and RUCO testimonies are likely to be irrelevant to the Commission in its consideration of this matter.

¹ Staff's June 19, 2007 Testimony at 27.

² *Id.* at 4.

1 In summary, although Staff may not necessarily agree with all of the positions taken in the
2 NWEC or RUCO testimony, Staff cannot conclude that these filings provide information that is
3 irrelevant to this proceeding. In addition, the Commission may find this information helpful in its
4 evaluation of this matter. Staff therefore believes that Semptra's motion should be denied.

5 RESPECTFULLY submitted this 7th day of December, 2007.

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